URI, INC.

(A Subsidiary of Uranium Resources, Inc.)

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Mark S. Pelizza Vice President Health, Safety and Environmental Affairs

SFP U 5 1996

September 3, 1996

Mr. John Santos
UIC Permitting Team, Geologist
UIC, Uranium & Radioactive Waste Section
Industrial and Hazardous Waste Division
Mail Code 131
P.O. Box 13087
Austin, Texas 78711-3087

RE: In Situ Uranium Mining Application Technical Review August 13, 1996 Notice of Deficiency (NOD) Rosita Extension, Permit No. URO-2880-001

Dear Mr. Santos:

The following is URI's response to the subject NOD. I have formatted this response by first restating your request and then responding appropriately. One original and three copies of this response are enclosed.

1. To meet the requirement of 30 TAC §331.122(s)(C), provide maps and cross-sections indicating the vertical and horizontal limits of aquifers with less than 3,000 mg/l TDS and less than and the 10,000 mg/l TDS.

Response:

Attachment 1 contains revised regional cross-sections which were submitted in support of the WDW-250 applications. We have indicated the break of 3,000 TDS and 10,000 TDS on this cross-section.

2. To meet the requirement of 30 TAC §§331.141-331.147, describe the method that will be used as financial assurance to close, plug or abandon the wells in this area.

Response:

Financial assurance to close, plug and abandon the wells at the Rosita mine is accomplished by Letter of Credit No. D-455480, issued by Texas Commerce Bank. The amount of this Letter of Credit is adjusted from time to time based on the cost estimated by TNRCC. We would anticipate that the proposed expansion, if approved, would result in a cost adjustment to the Letter of Credit.

3. The Texas Engineering Practices Act requires that plans, specifications, and other related documents be prepared by registered engineers, as evidenced by the seal of the engineer. Please provide sealed copies of these types of documents.

Response:

Attachment 2 contains replacement cover pages for the "Rosita Project Supplementary Technical Report" and "Rosita Project Supplemental Environmental Report". These covers have been sealed by William Paul Goranson, P.E., who serves in the capacity of Wellfield Superintendent at the Rosita project. In that capacity, he is responsible for construction, operation, and abandonment of all wells at the Rosita project, and assists in the preparation of all technical reports which are submitted in support of permit applications.

Please feel free to contact me with questions pertaining to this matter.

Sincerely,

Mark S. Pelizza

Vice President

Health, Safety and Environmental Affairs

MSP/dlg Encl.

ATTACHMENT 1 REVISED CROSS-SECTIONS

ATTACHMENT 2